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EXAMINER	
DASS, HARISH T	

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte RABINDRANATH DUTTA

Appeal 2009-004343
Application 09/915,439
Technology Center 3600

Decided: September 14, 2009

Before HUBERT C. LORIN, ANTON W. FETTING, and
BIBHU R. MOHANTY, *Administrative Patent Judges*.

MOHANTY, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

The Appellant seeks our review under 35 U.S.C. § 134 (2002) of the final rejection of claims 1-25 which are all the claims pending in the application. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF THE DECISION

We AFFIRM.

THE INVENTION

The Appellant's claimed invention is directed to a method for performing an anonymous online transaction. A request for an enhanced certificate is received from a requestor at a certificate authority server. It is determined whether the requestor qualifies for the enhanced certificate. If the requestor qualifies, the requestor is issued an enhanced certificate from the certificate authority server. (Spec. 3-7). Claim 1, reproduced below, is representative of the subject matter of appeal.

> 1. A method for performing an anonymous online transaction comprising:
> receiving a request for an enhanced certificate from a requestor at a certificate authority server;
> determining whether the requestor qualifies for the enhanced certificate;
> issuing the requestor an enhanced certificate from the certificate authority server if the requestor qualifies;
> receiving an offer from a supplier with a supplier enhanced certificate at an aggregate exchange server;
> receiving a bid from a purchaser with a purchaser enhanced certificate at the aggregate exchange server;
> determining whether the bid matches the offer;
> sending the supplier the purchaser enhanced certificate from the aggregate exchange server, and sending the purchaser the supplier

enhanced certificate from the exchange server, if the bid matches the offer; and

receiving agreement of the matched supplier and purchaser at the exchange server to execute the anonymous transaction.

THE REJECTION

The Examiner relies upon the following as evidence in support of the rejections:

Kiselik	US 2001/0034631 A1	Oct. 25, 2001
Hambrecht	US 6,629,082 B1	Sep. 30, 2003
Herschkorn	US 6,691,094 B1	Feb. 10, 2004

The following rejection is before us for review:

1. Claims 1-25 are rejected under 35 U.S.C. § 103(a) as unpatentable over Hambrecht, Kiselik, and Herschkorn.

THE ISSUE

At issue is whether the Appellant has shown that the Examiner erred in making the aforementioned rejection.

This issue turns on whether it would have obvious to combine the teachings of Hambrect, Kiselik, and Herschkorn to have an auction system with certificate authority verification and anonymous transactions.

FINDINGS OF FACT

We find the following enumerated findings of fact (FF) are supported at least by a preponderance of the evidence:[1]

FF1. Hambrecht has disclosed an auction system (Title) used for pricing and allocating securities. Bids are accepted only from qualified potential purchasers (Abstract).

FF2. Hambrecht has disclosed that individual investors may be required to use a third-party Certificate Authority to validate a bidder's digital signature (Col. 9:57-60).

FF3. Hambrecht discloses that information about an offering to accept bids is provided to potential purchasers (Abstract).

FF4. Kiselik has disclosed a method of selection of parties to an arrangement between a requestor and a satisfier of selected requirements (Title).

FF5. Kiselik has disclosed that a buyer furnishes qualifications which are determined to be qualified or not, and if not qualified, the buyer is informed and may provide more information (Fig. 3, [0032]).

FF6. Kiselik has disclosed that a rating system is used in the system in which the requester rates the satisfier of the performance (Abstract).

FF7. Herschkorn has disclosed a bank loan trading system where sellers and buyers enter offers and bids and it is determined if a match is made with one of the bids and offers of the same loan (Title, Abstract).

[1] *See Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Patent Office).

FF8. Herschkorn has disclosed that systems with users and dealers has cross-matching systems that allows users to trade with each other anonymously (Col. 3:58-61).

PRINCIPLES OF LAW

> Section 103 forbids issuance of a patent when "the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains."

KSR Int'l Co. v. Teleflex Inc., 550 U.S. 398, 406 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, (3) the level of skill in the art, and (4) where in evidence, so-called secondary considerations. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 550 U.S. at 407 ("While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.")

In *KSR*, the Supreme Court emphasized "the need for caution in granting a patent based on the combination of elements found in the prior art," *id.* at 415-16, and discussed circumstances in which a patent might be determined to be obvious. In particular, the Supreme Court emphasized that "the principles laid down in *Graham* reaffirmed the 'functional approach' of *Hotchkiss*, 11 How. 248." *KSR,* 550 U.S. at 415, (citing *Graham*, 383 U.S. at 12), and reaffirmed principles based on its precedent that "[t]he

combination of familiar elements according to known methods is likely to be obvious when it does no more than yield predictable results." *Id.* at 416. The Court also stated "[i]f a person of ordinary skill can implement a predictable variation, § 103 likely bars its patentability." *Id.* at 417. The operative question in this "functional approach" is thus "whether the improvement is more than the predictable use of prior art elements according to their established functions." *Id.*

The Court noted that "[t]o facilitate review, this analysis should be made explicit." *Id.* at 418 (citing *In re Kahn*, 441 F.3d 977, 988 (Fed. Cir. 2006) ("[R]ejections on obviousness grounds cannot be sustained by mere conclusory statements; instead, there must be some articulated reasoning with some rational underpinning to support the legal conclusion of obviousness"). However, "the analysis need not seek out precise teachings directed to the specific subject matter of the challenged claim, for a court can take account of the inferences and creative steps that a person of ordinary skill in the art would employ." *Id.*

ANALYSIS

The Appellant argues that the rejection of claims 1, 11, and 21 is improper because the references fail to teach or suggest "receiving agreement of the matched supplier and purchaser at the exchange server to execute an anonymous transaction" (Br. 11). The Appellant argues that Kiselik and Hambrecht both teach away from using an anonymous transaction (Br. 11-12). The Appellant argues that the teaching of an anonymous transaction shown by Herschkorn does not cure the fact that the rest of the references teach away from this and that the combination works in an unexpected manner (Br. 13-14).

In contrast the Examiner has determined that from the combination of Hambrecht, Kiselik, and Herschkorn it would have been obvious to have qualified buyers and sellers, and to have enabled trade without disclosing privacy identification information in an auction on an Internet website (Ans. 4-5 and 8).

We agree with the Examiner. Hambrecht has disclosed an auction system (FF1) that uses a third-party Certificate Authority to validate a bidder's digital signature (FF2). Kiselik has disclosed a system where a buyer furnishes qualifications which are determined to be qualified or not, and if not qualified, the buyer is informed and may provide more information (FF5) which would provide an advantage of enabling more buyers to be qualified. Herschkorn has disclosed a bank loan trading system where sellers and buyers enter offers and bids (FF7), and cross-matching of systems allows users to trade with each other anonymously (FF8). An auction system may either disclose users in some way to each other, or remain anonymous, each instance providing respective advantages. When there is a design need or market pressure to solve a problem and there are a finite number of identified, predictable solutions, a person of ordinary skill has good reason to pursue the known options within his or her technical grasp. If this leads to the anticipated success, it is likely the product not of innovation but of ordinary skill and common sense. *KSR,* 550 U.S. at 421. Here, the use of anonymous trading as disclosed by Hershkorn would allow privacy to be maintained in transactions between buyers and sellers if desired. The modification of the system of Hambrect to include the buyer qualification system of Kiselik and the anonymous trading system of

Herschkorn in order to increase buyers and maintain privacy in transactions is considered an obvious, predictable combination of known elements for their known functions with articulated reasoning and rational underpinning.

For these reasons the rejection of claims 1, 11, and 25, as well as dependent claims 2-10 and 12-24 which have not been argued separately, is sustained.

CONCLUSIONS OF LAW

We conclude that Appellant has not shown that the Examiner erred in rejecting claims 1-25 under 35 U.S.C. § 103(a) as unpatentable over Hambrecht, Kiselik, and Herschkorn.

DECISON

The Examiner's rejection of claims 1-25 is sustained.

No time period for taking any subsequent action in connection with this appeal may be extended under 37 C.F.R. § 1.136(a)(1)(iv) (2007).

AFFIRMED

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